

2011 Property Tax Report

Ripley County

with Comparisons to Prior Years



Legislative Services Agency

September 2011

This report describes property tax changes in Ripley County between 2010 and 2011, with comparison to changes since 2007. In 2011, the changes from the big tax reform of 2008 were fully phased in with the elimination of the last of the state homestead credits. The 2009 recession affected assessments and local tax credits in many counties. Changes in local levies and assessments also were important in many counties.

Comparable Homestead Property Tax Changes in Ripley County

The average homeowner saw a 9.2% tax bill increase from 2010 to 2011.

Homestead taxes in 2011 were still 18.1% lower than they were in 2007, before the property tax reforms.

92.6% of homeowners saw lower tax bills in 2011 than in 2007.

89.3% of homeowners saw tax increases of between 1% and 19% from 2010 to 2011.

The largest percentage of homeowners have seen between a 10% and 29% decrease in their tax bills from 2007 to 2011.

	2010 to 2011		2007 to 2011	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
Summary Change in Tax Bill				
Higher Tax Bill	6,498	95.4%	491	7.2%
No Change	100	1.5%	16	0.2%
Lower Tax Bill	215	3.2%	6,306	92.6%
Average Change in Tax Bill	9.2%		-18.1%	
Detailed Change in Tax Bill				
20% or More	414	6.1%	165	2.4%
10% to 19%	1,801	26.4%	86	1.3%
1% to 9%	4,283	62.9%	240	3.5%
0%	100	1.5%	16	0.2%
-1% to -9%	130	1.9%	711	10.4%
-10% to -19%	38	0.6%	2,157	31.7%
-20% to -29%	8	0.1%	1,617	23.7%
-30% to -39%	10	0.1%	973	14.3%
-40% to -49%	7	0.1%	406	6.0%
-50% to -59%	3	0.0%	126	1.8%
-60% to -69%	3	0.0%	74	1.1%
-70% to -79%	3	0.0%	70	1.0%
-80% to -89%	4	0.1%	44	0.6%
-90% to -99%	4	0.1%	50	0.7%
-100%	5	0.1%	78	1.1%
Total	6,813	100.0%	6,813	100.0%

Note: Percentages may not total due to rounding.

 LOSS OF STATE HOMESTEAD
 CREDIT AND LOWER LOCAL
 HOMESTEAD CREDITS RAISED
 HOMEOWNER TAX BILLS

Homestead Property Taxes

Homestead property taxes increased 9.2% on average in Ripley County in 2011. This was more than the state average of 4.4%. Ripley County homestead taxes were still 18.1% lower in 2011 than they were in 2007, before the big tax reform. The larger-than-average homestead tax increase in 2011 was partly due to the phaseout of the state homestead credit in 2011. The state homestead credit was 3.6% in Ripley County in 2010. In addition, Ripley County's local homestead credit declined in 2011, due to a drop in the local income tax revenues that fund it. Tax rate increases in a few of Ripley County's taxing districts also added to the homestead tax increase.

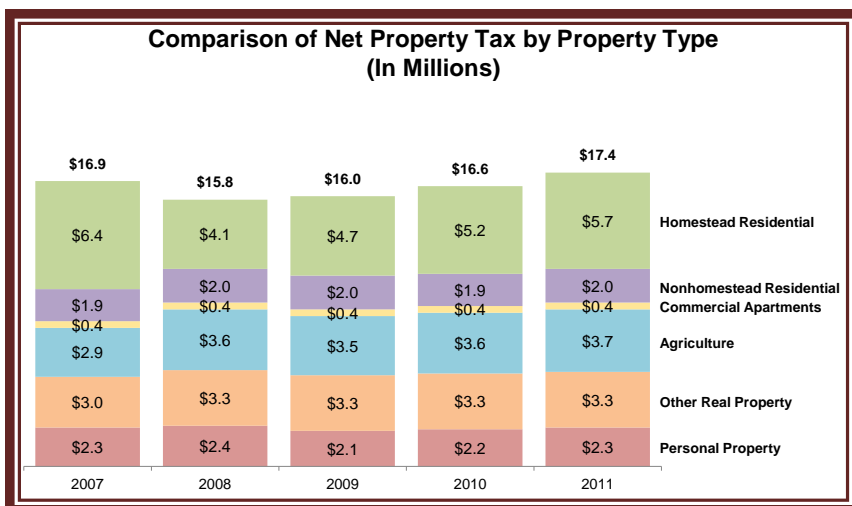
Tax Rates

Property tax rates declined in about two-thirds of Ripley County tax districts. The average tax rate increased 0.6% because the increase in net assessed value was exceeded by a larger increase in the levy. Levies in Ripley County increased by 3.6%. The biggest levy increases were in all Milan Community Schools funds and the Osgood Public Library debt payment fund. The biggest levy reduction was in the Batesville Community Schools debt service fund. Ripley County's total net assessed value increased 2.2% in 2011. (The certified net AV used to compute tax rates rose by 3.0%.) Homestead and agricultural net assessments increased by 2.4% and 2.8%, respectively. Other residential assessments showed an increase of 2.3%, while business net assessments grew by 1.5%.

★★★★★★
*INCREASES IN TAXES FOR ALL
 NONHOMESTEAD TAX CATEGORIES*
 ★★★★★★

Net Tax Bill Changes - All Property Types

Net tax bills for all taxpayers rose 4.7% in Ripley County in 2011, more than the statewide increase of 2.8%. Other residential property, which includes smaller rentals and second homes, saw net tax bills increase by 0.7%. Tax bills for commercial apartments rose 9.3%. Business tax bills - which include commercial, industrial and utility buildings, land and equipment - increased by 0.8%. Agricultural tax bills rose 3.9%. This was mainly due to the 3.2% increase in the base rate assessment of farm land, from \$1,250 to \$1,290 per acre for taxes in 2011.



Tax Cap Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

★★★★★★
*TAX CAP CREDITS INCREASED IN
 2011, BUT REMAINED VERY SMALL*
 ★★★★★★

Total tax cap credit losses in Ripley County were \$14,234, or 0.1% of the levy. This was less than the state average loss rate of 9.2% and less than the median value of 3.8% among all counties. Tax rates are the main determinant of tax cap credits, and Ripley County's tax rates were well below the state median.

Almost all of the total tax cap credits were in the elderly category. These tax cap credits restrict the tax bills of low income homeowners aged 65 and over to 2% growth per year. Only one taxing district in Ripley County has a tax rate above \$2 per \$100 assessed value, so most of the property in the 2% and 3% categories is not eligible for credits. Low tax rates and the local homestead credit prevent homesteads from receiving tax cap credits in the 1% category. Percentage losses were less than 1% of the levy for all units. The largest dollar losses were in the Sunman-Dearborn, Milan, and South Ripley School Corporations and the county unit.

Ripley County Tax Cap Credits	1%	2%	3%	Elderly	Total	% of Levy
2010 Tax Cap Credits	\$0	\$1,357	\$0	\$7,554	\$8,911	0.1%
2011 Tax Cap Credits	0	794	0	13,441	14,234	0.1%
Change	\$0	-\$563	\$0	\$5,887	\$5,324	0.0%

Tax cap credits increased in Ripley County in 2011 by \$5,324, or 60%. The additional credits

represent little added loss of the total tax levy. Most of the increase in tax cap credits was in the elderly tax cap category. The elimination of the state homestead credit and the drop in local income tax revenue that funds local homestead credits caused much of the elderly tax cap credit increase.

The Effect of Recession

The 2009 recession had a mixed effect on Ripley County assessments for pay-2011. Business property values and construction activity appear to have fallen in Ripley County in 2009, but increases in homestead and other residential values and agricultural assessments more than offset this decline. Lower incomes in 2009 resulted in lower local income tax distributions in 2011, which reduced the local homestead credit. Tax rates are too low in Ripley County for assessment or local credit changes to have much effect on tax cap credit revenue losses.

★★★★★★
*2009 RECESSION HAD A MIXED EFFECT
 ON ASSESSMENTS IN 2011*
 ★★★★★★

Property Type	Gross AV 2010	Gross AV 2011	Gross AV Change	Net AV 2010	Net AV 2011	Net AV Change
Homesteads	\$1,068,719,580	\$1,087,530,000	1.8%	\$458,636,905	\$469,649,353	2.4%
Other Residential	118,472,100	120,274,400	1.5%	116,414,262	119,099,240	2.3%
Ag Business/Land	269,123,800	276,954,000	2.9%	268,244,428	275,860,942	2.8%
Business Real/Personal	439,288,950	426,817,230	-2.8%	361,219,964	366,683,069	1.5%
Total	\$1,895,604,430	\$1,911,575,630	0.8%	\$1,204,515,559	\$1,231,292,604	2.2%

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

Ripley County Levy Comparison by Taxing Unit

Taxing Unit	2007	2008	2009	2010	2011	% Change			
						2007 - 2008	2008 - 2009	2009 - 2010	2010 - 2011
County Total	24,499,041	26,886,103	17,045,688	17,585,519	18,222,037	9.7%	-36.6%	3.2%	3.6%
State Unit	31,098	32,658	0	0	0	5.0%	-100.0%		
Ripley County	4,954,370	6,296,913	3,016,367	3,076,032	3,087,664	27.1%	-52.1%	2.0%	0.4%
Adams Township	49,584	49,877	51,995	47,408	48,281	0.6%	4.2%	-8.8%	1.8%
Brown Township	19,725	20,583	21,523	21,928	21,950	4.3%	4.6%	1.9%	0.1%
Center Township	82,824	83,873	76,581	85,753	87,257	1.3%	-8.7%	12.0%	1.8%
Delaware Township	17,874	18,794	17,124	18,403	18,883	5.1%	-8.9%	7.5%	2.6%
Franklin Township	23,989	24,780	25,989	24,130	25,636	3.3%	4.9%	-7.2%	6.2%
Jackson Township	11,446	11,715	12,319	12,415	12,528	2.4%	5.2%	0.8%	0.9%
Johnson Township	39,871	41,255	39,950	41,935	41,974	3.5%	-3.2%	5.0%	0.1%
Laughery Township	25,174	25,870	25,958	20,549	26,077	2.8%	0.3%	-20.8%	26.9%
Otter Creek Township	23,621	25,190	26,382	27,176	27,412	6.6%	4.7%	3.0%	0.9%
Shelby Township	15,042	16,388	17,014	17,341	16,737	8.9%	3.8%	1.9%	-3.5%
Washington Township	29,738	30,643	27,246	29,547	29,487	3.0%	-11.1%	8.4%	-0.2%
Batesville Civil City	1,376,567	1,379,667	1,449,980	1,503,214	1,547,901	0.2%	5.1%	3.7%	3.0%
Milan Civil Town	132,801	135,514	147,560	149,491	154,295	2.0%	8.9%	1.3%	3.2%
Napoleon Civil Town	8,359	8,507	9,075	9,255	9,441	1.8%	6.7%	2.0%	2.0%
Osgood Civil Town	174,541	189,974	200,113	199,880	210,485	8.8%	5.3%	-0.1%	5.3%
Sunman Civil Town	128,917	132,834	129,040	137,411	144,602	3.0%	-2.9%	6.5%	5.2%
Versailles Civil Town	246,665	251,954	263,651	265,879	275,759	2.1%	4.6%	0.8%	3.7%
Holton Civil Town	43,968	45,836	48,714	49,362	50,930	4.2%	6.3%	1.3%	3.2%
Sunman-Dearborn Community School Corp	1,985,333	1,885,126	1,377,005	1,539,352	1,667,530	-5.0%	-27.0%	11.8%	8.3%
South Ripley Community School Corp	3,860,461	4,212,069	3,058,844	3,008,739	3,049,715	9.1%	-27.4%	-1.6%	1.4%
Batesville Community School Corp	5,088,596	5,233,527	2,737,448	2,924,955	2,829,435	2.8%	-47.7%	6.8%	-3.3%
Jac-Cen-Del Community School Corp	2,468,885	2,842,454	1,596,681	1,533,242	1,592,835	15.1%	-43.8%	-4.0%	3.9%
Milan Community School Corp	3,122,003	3,264,307	1,966,596	2,087,816	2,347,313	4.6%	-39.8%	6.2%	12.4%
Batesville Public Library	238,542	243,213	262,620	266,559	277,372	2.0%	8.0%	1.5%	4.1%
Osgood Public Library	162,995	242,425	294,535	341,820	478,887	48.7%	21.5%	16.1%	40.1%
Southeastern Indiana Solid Waste Mgt Dist	136,052	140,157	145,378	145,927	141,651	3.0%	3.7%	0.4%	-2.9%

Ripley County 2011 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
69001	Adams Twp-Sunman Dearborn Schls	1.4570	--	--	10.3046%	--	--	--	1.3069
69002	Adams Township-Batesville Schools	1.0479	--	--	10.3046%	--	--	--	0.9399
69003	Batesville City-Adams Township	1.5964	--	--	10.3046%	--	--	--	1.4319
69004	Sunman Town	1.7268	--	--	10.3046%	--	--	--	1.5489
69005	Brown Township	1.3177	--	--	10.3046%	--	--	--	1.1819
69006	Center Township	1.2945	--	--	10.3046%	--	--	--	1.1611
69007	Osgood Town	1.7968	--	--	10.3046%	--	--	--	1.6116
69008	Delaware Township	1.2971	--	--	10.3046%	--	--	--	1.1634
69009	Franklin Township	1.5755	--	--	10.3046%	--	--	--	1.4132
69010	Milan Town-Franklin Township	1.8758	--	--	10.3046%	--	--	--	1.6825
69011	Jackson Township	1.1496	--	--	10.3046%	--	--	--	1.0311
69012	Napoleon Town	1.2479	--	--	10.3046%	--	--	--	1.1193
69013	Johnson Township	1.3193	--	--	10.3046%	--	--	--	1.1834
69014	Versailles Town	1.7630	--	--	10.3046%	--	--	--	1.5813
69015	Laughery Township-Batesville Schools	1.0502	--	--	10.3046%	--	--	--	0.9420
69016	Laughery Twp Jac-Cen-Del Schools	1.1064	--	--	10.3046%	--	--	--	0.9924
69017	Batesville City-Laughery Schools	1.5951	--	--	10.3046%	--	--	--	1.4307
69018	Otter Creek Township	1.3446	--	--	10.3046%	--	--	--	1.2060
69019	Holton Town	2.0229	--	--	10.3046%	--	--	--	1.8144
69020	Shelby Township	1.3295	--	--	10.3046%	--	--	--	1.1925
69021	Washington Township	1.5913	--	--	10.3046%	--	--	--	1.4273
69022	Milan Town-Washington Township	1.8840	--	--	10.3046%	--	--	--	1.6899

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Ripley County 2011 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	0	794	0	13,441	14,234	18,222,037	0.1%
<i>TIF Total</i>	0	0	0	0	0	0	
<i>County Total</i>	0	794	0	13,441	14,234	18,222,037	0.1%
Ripley County	0	96	0	2,223	2,319	3,087,664	0.1%
Adams Township	0	0	0	43	43	48,281	0.1%
Brown Township	0	0	0	5	5	21,950	0.0%
Center Township	0	0	0	31	31	87,257	0.0%
Delaware Township	0	0	0	7	7	18,883	0.0%
Franklin Township	0	0	0	26	26	25,636	0.1%
Jackson Township	0	0	0	4	4	12,528	0.0%
Johnson Township	0	0	0	37	37	41,974	0.1%
Laughery Township	0	0	0	21	21	26,077	0.1%
Otter Creek Township	0	13	0	10	23	27,412	0.1%
Shelby Township	0	0	0	16	16	16,737	0.1%
Washington Township	0	0	0	33	33	29,487	0.1%
Batesville Civil City	0	0	0	723	723	1,547,901	0.0%
Milan Civil Town	0	0	0	177	177	154,295	0.1%
Napoleon Civil Town	0	0	0	13	13	9,441	0.1%
Osgood Civil Town	0	0	0	199	199	210,485	0.1%
Sunman Civil Town	0	0	0	38	38	144,602	0.0%
Versailles Civil Town	0	0	0	460	460	275,759	0.2%
Holton Civil Town	0	277	0	15	292	50,930	0.6%
Sunman-Dearborn Community School Corp	0	0	0	2,013	2,013	1,667,530	0.1%
South Ripley Community School Corp	0	404	0	2,141	2,545	3,049,715	0.1%
Batesville Community School Corp	0	0	0	1,373	1,373	2,829,435	0.0%
Jac-Cen-Del Community School Corp	0	0	0	705	705	1,592,835	0.0%
Milan Community School Corp	0	0	0	2,493	2,493	2,347,313	0.1%
Batesville Public Library	0	0	0	135	135	277,372	0.0%
Osgood Public Library	0	0	0	400	400	478,887	0.1%
Southeastern Indiana Solid Waste Mgt Dist	0	4	0	101	105	141,651	0.1%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.